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## **Safeway Stores, Incorporated and United Food and Commercial Workers, AFL-CIO, Local 400 (1987)**

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## **Safeway Stores, Incorporated and United Food and Commercial Workers, AFL-CIO, Local 400 (1987)**

### **Location**

Richmond, VA; Tidewater, VA

### **Effective Date**

5-24-1987

### **Expiration Date**

6-1-1990

### **Employer**

Safeway Stores, Incorporated

### **Union**

United Food and Commercial Workers

### **Union Local**

400

### **NAICS**

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### **Sector**

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**AGREEMENT BETWEEN  
SAFeway STORES, INC.  
(RICHMOND AND TIDEWATER AREAS)**

and

**UNITED FOOD AND COMMERCIAL WORKERS UNION, LOCAL 400, AFL-CIO**

**May 24, 1987 through June 1, 1990**

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**AGREEMENT**

This Agreement between Safeway Stores, Incorporated, a corporation organized under the laws of the state of Delaware, hereinafter referred to as the Employer, or the Company, and the United Food and Commercial Workers Union, Local No. 400, AFL-CIO, of Richmond, Virginia, hereinafter referred to as the Union.

**ARTICLE 1  
MANAGEMENT AUTHORITY**

1.1 The Management of the business and the direction of the employees, including the right to plan, direct and control store operations; hire, suspend or discharge for proper cause; transfer or relieve employees from duty because of lack of work or for other legitimate reasons; the right to introduce new or improved methods or facilities; and the right to establish and maintain reasonable rules and regulations covering the operations of the stores, a violation of which shall be among the causes for discharge, are vested in the Employer, provided that the right shall be exercised with regard for the rights of the employees and that it will not be used for the purpose of discriminating against any employee.

**ARTICLE 2  
RECOGNITION**

2.1 The Employer hereby recognizes the Union as the sole and exclusive bargaining representative for the employees employed by the Employer in its stores located in the Central and Tidewater areas of Virginia which are described in paragraphs 20.3 and 20.4 of this Agreement. (The Management exemptions will be one (1) store manager and one (1) "management supervisor"). The Employer further agrees not to enter into any agreement with any employee individually or collectively or other organizations which in any way violates the terms and provisions of this Agreement. It is further agreed that a store clerical employee (one (1) per store, who shall not perform bargaining unit work) will be excluded from the unit.

2.2 The Employer further agrees that if the Employer should establish a new food store, or stores, within the territories described in Article 2.1, this Agreement shall apply to such new store or stores. In the event the Employer engages in department or discount type stores, then the Employer and the Union shall negotiate as to the terms for wages, hours and working conditions for employees working in such stores.

2.3 All work and services connected with or incidental to the handling or selling of merchandise, except potato chips, beverages, cookies, bakery products and rack jobbers, offered for sale to the public in the Employer's retail establishments covered by this Agreement shall be performed only by employees of the Employer. This Agreement shall not be construed as restricting a sales representative from inspecting any and all merchandise of his respective company for spoilage or replacement, nor shall it apply to new or remodeled stores or to initial special displays unless such special displays have a tendency to become too constant or too often. There shall be no expansion of the present practice which might tend to erode bargaining unit employment during the life of this Agreement.

**ARTICLE 3  
UNION SECURITY**

3.1 It shall be a condition of employment that all employees of the Employer covered by this Agreement who are members of the Union in good standing on the effective date of this Agreement shall remain members in good standing and those who are not members on the effective date of this Agreement shall, on the thirty-first (31st) day following the effective date of this Agreement, become and remain members in good standing in the Union. It shall also be a condition of employment that all employees covered by this Agreement hired on or after its effective date, shall on the thirty-first (31st) day following the beginning of such employment, become and remain members in good standing in the Union. For the purpose of this section, the execution date of this Agreement shall be considered as the effective date.

3.2 The application of Paragraph 1 above is deferred in any jurisdiction where the Union Shop is not permitted by law, except for the purpose of representation, unless and until such law is declared unconstitutional or is repealed or otherwise becomes inoperative as to the operations of the Employer.

3.3 The Employer will notify the Union, in writing, within thirty (30) days from the date of employment, reinstatement or transfer into the bargaining unit of any employee, of the name, home address, store, social security number, and job classification. Upon termination of an employee for any reason, the Employer will notify the Union within thirty (30) days, in writing, of such termination.

3.4 If and when agency shop is legal, the parties agree to meet and discuss same.

3.5 In the interest of promoting cooperative relations, the store manager shall introduce each new employee in his store to the Union store steward within one week after the new employee reports to work. Stewards shall give the new employee a copy of the contract and shall explain its operations. The store steward may answer any questions the new employee asks him, may request the new employee to join the Union and may make arrangements for the new employee to become a member.

**ARTICLE 4  
HOURS, OVERTIME AND WORKING CONDITIONS**

4.1 (a) The work week for full time employees shall consist of forty (40) hours exclusive of lunch and/or supper periods, to be worked in five (5) days not to exceed eight (8) hours, Monday through Saturday (except as provided elsewhere in this Article).

(b) For employees hired or promoted to full time after May 3, 1987, the basic work week shall be from Sunday through Saturday.

(c) Full time employees hired prior to May 3, 1987, who volunteer for Sunday work shall be scheduled for no less than eight (8) hours work, and shall be scheduled for a minimum of thirty-two (32) straight time hours during the remainder of the week. Such employees who are requested or required by the Employer to work on Sundays may be scheduled for shifts of less than eight (8) hours and shall be scheduled for a minimum of forty (40) hours during the remainder of the week.

(d) Employees scheduled to work on Sunday or a holiday as part of their basic work week shall be given first preference for hours. Any remaining work that may be available shall be offered on a rotating basis, with due consideration given to job classification and fitness for the work required. In the event sufficient volunteers are not available for Sunday or holiday work, assignments of such work shall be mandatory upon employees in the inverse order of seniority.

(e) Full time employees who work on Sunday as part of their basic work week shall, if requested by the employee, be granted two (2) consecutive days off during the remainder of the week.

4.2 The definition of a part time employee is one who works thirty-nine (39) hours or less per week.

4.3 (a) In any week in which a part time employee works in excess of the hours specified in Paragraph 2, he shall be paid his hourly part time rate for all hours up to forty (40) hours per week for the first three (3) consecutive weeks of work, and for the fourth (4th) consecutive week he shall be entitled to an established full time rate based on prior service credit.

(b) Any food clerk meeting the requirements of 4.3(a) above shall be entitled to working conditions of a full time employee.

(c) Part time employees shall be paid overtime at the rate of time and one-half (1-1/2) for work in excess of the daily or weekly hours designated for full time employees in Article 4, paragraph 4.1 of this Agreement.

4.4 The Employer reserves the right to schedule meal periods of not less than thirty (30) minutes nor more than one (1) hour, not before three (3) hours of work nor later than five (5) hours of work; any employee instructed to work and who works his meal period shall receive pay for that period at time and one-half (1-1/2) his regular rate of pay. The Employer shall provide a designated lunch and break area with table and chairs where space is available.

4.5 For full time employees, during weeks in which holidays are observed, the basic work week shall consist of thirty-two (32) hours.

4.6 The Employer may establish as many shifts as necessary, and the starting time of such shifts shall be optional with the Employer. It is agreed, however, that there will be no split shifts.

4.7 Overtime shall be worked at the designation of the Employer, where necessary; however, it is agreed that overtime shall be paid for all hours worked in excess of the specified hours for the work day or work week as provided for in this Article, but in no case will overtime be paid on overtime.

4.8 (a) Part time food clerks who report for work pursuant to instructions and who are not given work shall be paid for four (4) hours.

(b) When a part time meat department employee reports for work on instructions from the Employer and is not given work, the employee shall be entitled to four (4) hours' pay, if the employee is available for such work, but in no event less than three (3) hours.

(c) Eligible part time employees shall be scheduled a minimum of twelve (12) hours per week provided that they are available to work said hours on a regular and continuing basis. The twelve (12) hour minimum does not apply to probationary employees, courtesy clerks, students or employees working other jobs.

4.9 Full time employees reporting for work at their scheduled time or on instructions from the Employer shall be guaranteed eight (8) hours at their straight time rate of pay for the employee's scheduled work days and four (4) hours with pay for non-scheduled days at the overtime rate of pay.

4.10 The Employer agrees to post a work schedule in ink by 6:00 p.m. Friday for the following week, with the employees' names listed by seniority and classification. It shall specify starting and quitting times and regular days off. The schedule shall contain each employee's full name and shall have the scheduled hours of the employee totalled at the end of the column. The schedule for night crew employees and those scheduled off on Saturday must be posted prior to the end of those employees scheduled shift on Friday of the week preceding the week for which the schedule is effective. Schedules for all full time employees specifying the starting and finishing times and regular days off shall not be altered after it is posted, except with the approval of the employee. The schedule for a part time employee may be changed by notification to the employee prior to store closing the previous day.

A part time schedule shall be complete and reflect the anticipated basic needs of the store requirement for that week.

Each meat department employee's schedule shall be so arranged that he shall have one (1) full day off each week, except during the weeks in which there is a holiday as hereinafter designated.

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4.11 The Employer agrees to grant all employees a fifteen (15) minute rest period for each four (4) hours, or major fraction thereof, of work, not to exceed two (2) in any one (1) day.

4.12 (a) The Employer agrees that in the event of temporary transfers to reimburse the employee for increased transportation costs on the basis of fifteen cents (\$.15) per mile minimum. If an overnight stay is required, arrangements will be made, in advance, between the Employer and the employee.

(b) If an employee is required to work in more than one (1) store in the same day, the expense for necessary transportation shall be borne by the Employer, and the time required for such travel between stores shall be considered as time worked and paid for as such.

4.13 If a physical examination or health permit is required, the expense of the examination or health permit shall be borne by the Employer. In the event the facility is available only during the food clerk's scheduled hours, the time spent not in excess of two (2) hours shall be paid by the Employer at the straight time rate of pay. The foregoing sentence applies only to food clerks who have been employed by the Company thirty (30) days or more.

4.14 All linen, including caps, store coats or aprons required to be worn by the employees, shall be furnished and laundered by the Employer. Appropriate rain wear will be furnished. The application of this clause shall not apply where the Employer provides uniforms that cannot be laundered commercially. However, where Dacron or similar type uniforms are furnished to employees, such shall be laundered by the employee.

4.15 Notices concerning Union business will be posted in a designated location in the stores after approval by the Employer.

4.16 The Union agrees to furnish the Employer one (1) store card and/or decal for each store. Such card or decal shall remain the property of, and shall be surrendered to, the Union upon demand.

4.17 No employee shall suffer a reduction in hourly wage rates, or vacation time by any provision of this Agreement.

4.18 Any full time employee who is laid off due to discontinuance of a job, store closing or reduction in force shall be entitled to five (5) days notice or five (5) days' pay in lieu thereof.

4.19 The Employer shall maintain first aid kit(s) fully equipped, in each store.

4.20 The guarantees provided for in this Article are contingent upon there being no emergency conditions such as fire, floods, or other acts of God, strikes, or conditions beyond the control of the Employer which prevent or interfere with the normal operation of business.

4.21 Time spent at legal proceedings, at the request of the Employer or Employer Counsel, shall be compensated for at the straight-time rate. Such compensation shall also be paid for time spent at legal proceedings to which the employee is subpoenaed to give testimony for the benefit of the Employer, provided the employee has given the store manager prompt notice of the subpoena. Such hours shall not be considered as time worked in the computation of daily or weekly overtime unless it is part of the regularly scheduled work week.

4.22 (a) No employee may be held responsible for cash register overages or shortages, unless he is given the privilege of checking the change and daily receipts upon starting and completing the work shift.

(b) No employee shall be held responsible for any checks cashed unless said checks are cashed in violation of the Employer's rules and regulations which have previously been given to the employee in writing.

(c) When more than one employee works from one cash drawer or office cash drawer, no employee shall be held responsible for cash shortages.

4.23 Weighers and Wrappers are prohibited from regularly performing duties normally performed by Meat Cutters.

4.24 In the event of an unexpected occurrence in either the Meat Department or Grocery Department and an insufficient number of employees are present, an employee from the other department may be utilized to cover the situation. The foregoing is intended for operating flexibility and shall not be used for seniority, scheduling and/or claiming of hours.

4.25 The Employer agrees to make a good faith effort in accommodating employees' requests for transfer to stores that would be located closer to the employees' homes, subject to classification, qualifications and abilities. Any dispute over the application of this provision shall be referred to representatives of the Joint Labor Management Committee of the Retail Food Industry for final resolution.

## ARTICLE 5 WAGE AND JOB CLASSIFICATIONS

5.1 It is understood and agreed that the rates of pay provided for in Schedule "A", attached hereto and made a part hereof, are minimum rates.

5.2 (a) All previous supermarket experience of any employee within the past three (3) years, proven by verification or ability, shall be recognized for the purpose of establishing the pay scale to which the employee is entitled. The Employer, employee and the Union will make every effort to verify all previous experience claimed on the employee's application. If, however, complete information cannot be obtained within the first three (3) months of employment, the pay scale shall be determined by the Employer on the basis of whatever verification of experience has become available, and the employee's ability. The Employer agrees to notify the Union no later than thirty (30) days after employment if complete verification of experience has not been obtained. The service record of any employee retained after the probationary period of thirty (30) days shall date from the time of such employee's original employment. The salary of such employee shall be retroactive to the date of original employment.

(b) The apprentice meat program shall be two (2) years for full time employees and three (3) years as provided in the wage rate Schedule "A". Apprentices are employees whose duty shall be to cut meat at least twenty-five percent (25%) of the time, among other duties in servicing the Meat Department. At the completion of the apprentice program, an Apprentice will be tested jointly by the Union and the Employer and if he qualifies he shall be classified as a Journeyman Meat Cutter. Should he fail to qualify, he may request that he be given another examination at the end of six (6) months from the first examination date, etc.

5.3 (a) A night premium of thirty-five cents (\$.35) per hour in addition to their regular hourly rates shall be paid to all employees working between the hours of 1:00 a.m. and 4:00 a.m. for the actual hours worked between 1:00 a.m. and 4:00 a.m.

(b) Employees shall be permitted to start their shift at 9:00 p.m. on Sundays and holidays at the regular hourly rate.

(c) Any member of the night crew will receive his basic weekly wage plus night premium in the computation of vacation and/or holiday pay.

(d) Employees shall have a minimum of eight (8) hours off between the ending of their schedule and the starting of their next schedule. Any employee who works during the eight (8) hour period shall be paid for such time at the rate of time and one-half (1-1/2).

(e) Employees who want on or off the night crew shall bid as follows: A request must be in writing to the Employer and will be placed on the list referred to in Article 6, Section 9. As full time openings occur, the most senior employee on the combined list shall be assigned to the job, provided the employee is available to work such hours on a regular and continuing basis.

5.4 The Employer agrees to furnish each employee a copy of his pay voucher or time record each week. Duplicate copies of pay vouchers or time records shall be available in the stores for a reasonable length of time. The Union agrees that neither its representative nor members will engage in Union activities on the Employer's time or premises, provided however, the representatives of the Union shall have access to the stores for the purpose of conducting routine business and to see that the provisions of this Agreement are being complied with.

5.5 Assistant Store Managers, Produce Department Managers, and Meat Department Managers will be assigned in each of the Employer's stores. The Employer may assign other Department Managers.

5.6 (a) When a department head is absent for five (5) calendar days or more, whether days off, sick, vacation or relieving another department head, a Relief Department Manager shall be assigned and paid the rate applicable to that position. The Relief Manager shall receive the salary of the regular Store Manager, with a maximum of five hundred and fifty-five dollars (\$555.00) for a six (6) day week when relieving for one (1) full week or more. Such rate will be adjusted effective when Store Manager rates are adjusted. (The above language applies to Food Clerk employees only.)

(b) An employee relieving the Meat Department Manager shall receive the Meat Department Manager rate of pay for each full day of relief. Apprentices may not be assigned as Relief Meat Department Managers unless there are no Journeyman Meat Cutters, within the store, available for such work.

5.7 No employee shall be given a polygraph "lie detector" test or a psychological stress evaluator test unless the Union agrees in writing.

5.8 Employees shall be at their stores ready for work at their scheduled starting time, otherwise they are reporting late. They shall remain at their work until their scheduled quitting time. Employees shall be paid for all time worked. There shall be a time clock in each of the Employer's stores for the purpose of recording time worked. The Employer and the Union agree that a proven violation of established time clock rules, including working before punching in or after punching out, may subject such an employee to disciplinary action up to and including discharge. Furthermore, all time during which an employee is suffered or permitted to work, or is required to be on duty on the Employer's premises at a given work place shall be considered time worked and recorded on the time cards.

5.9 (a) The duties of Courtesy Clerks shall be limited to sorting, bagging and packaging sold merchandise, carrying and loading sold merchandise, general cleaning (excluding perishable cases and meat preparation room), parking lot maintenance, sorting and racking of bottles, returning shopping carts to the store, filling bag racks, cleaning areas around and in front of the checker lanes and cleaning windows. Courtesy Clerks shall have preference to fill openings for regular part time clerks based on seniority and qualifications.

(b) The Employer shall post in each of its stores a notice to the employees signed by an authorized Employer representative advising all employees of the duties of Courtesy Clerks and stating that the duties are restricted to the above only.

(c) Upon the first violation of this Section, the Courtesy Clerk in the store involved shall be paid the applicable part time rate for all hours worked in the week or weeks in which the violation occurred including hours worked in performance of Courtesy Clerk Duties.

(d) Upon a second violation in the same store, all Courtesy Clerks in the store involved shall be paid double the applicable part time rate for all hours worked in the week or weeks in which the violation occurred, including hours worked in performance of Courtesy Clerks duties.

(e) Upon a third violation the store involved shall lose the right to hire employees in the Courtesy Clerk classification for the duration of this Agreement.

(f) All other conditions and benefits established in the present Agreement between the Company and the Union shall apply to the Courtesy Clerks except as noted in the applicable paragraphs within this contract.

5.10 It is understood and agreed that employees currently classified as Porters shall be given the first opportunity to become Food Clerks and they will not suffer a reduction in their hourly pay rate. If a Porter is unable to meet the job requirements for a Food Clerk, the employee shall continue to be classified as a Porter.

## ARTICLE 6 SENIORITY

6.1 Seniority for the purpose of this Agreement shall be calculated by continuous service from the last date of employment (except as otherwise provided). Separate seniority lists for all full time Grocery, full time Meat Department employees, part time Grocery and part time Meat Department employees shall be set up by the Employer and shall be furnished to the Union upon request.

6.2 The Employer recognizes the principle of seniority as being one in which the movement of an employee from one job to another through promotion, layoff, recall after layoff is affected. Decisions shall be based primarily on skill and ability, but when these are reasonably equal, the employee having the greatest seniority shall receive the preference.

6.3 Seniority shall be on a store by store basis. In the event of layoffs or reductions in the work force, employees shall exercise their seniority within the store except as hereinafter outlined:

In the event of store closing, employees on the payroll as of the date of the signing of this Agreement shall be able to exercise their seniority over the junior employee within the city first, and the zone second, at their current rates and level of benefits.

In the event of a store closing due to a replacement store being opened, the employees shall be transferred into the replacement store at their rates of pay and benefits.

6.4 In all layoffs the ordinary rules of seniority shall prevail with due consideration being given to the job classification, fitness for the work involved, and the practicability of applying the rules of seniority in the particular case. Employees laid off for periods of less than one (1) year shall have preference to reinstatement in the reverse order.



The service record of such reinstated employees shall not be interrupted. Sickness does not count as layoff. A full time employee shall have seniority over a part time employee to the extent that a full time employee who is laid off in order of seniority may claim a part time schedule calling for a reduction of hours provided due consideration is given to job classification and to fitness to perform the work involved. Part time employees shall have seniority over other part time employees under the same conditions.

Before a Journeyman Meat Cutter can be reduced to part time or laid off within the store, all apprentices must be laid off within the store. Where the application of this provision creates a hardship or operational problem the Union agrees to discuss and resolve the problem.

6.5 Seniority and the employee's ability to perform the work shall be given consideration in regard to promotion within the bargaining unit. If the employee fails to qualify within a reasonable time for the upgraded position he or she will be afforded the opportunity to return to his or her former classification without loss of seniority. The Employer will notify the Union of all promotions to Department Head classification.

6.6 Full time employees to be reduced to part time may exercise their right to a complete layoff without prejudice to their right to recall. When a full time employee is involuntarily reduced to part time he shall continue to accrue seniority as though he was still full time.

6.7 A Meat Department employee laid off or reduced to part-time out of his seniority turn shall receive pay for all time lost, provided the layoff or reduction is not at the employee's request. Likewise, any part time employee who has requested full time in accordance with this paragraph, and who is bypassed in seniority when a full time opening occurs shall be paid for all lost earning opportunity provided the bypass was not at the request of the employee. It is further provided that the matter must be brought to the attention of the Personnel Department in writing within ten (10) days in the case of a layoff and within thirty (30) days in the case of a reduction to part time or bypass in promotion to full time.

6.8 Any employees transferred into the store from any other part of the Company shall retain their last employment date for the purpose of computing benefits, but their seniority date shall be otherwise established as of the day they commenced working in the store.

6.9 Part time employees desiring full time work and lower classified food employees desiring to be upgraded in classification shall be given preference for such work in accordance with the following procedure.

Employees who have completed a minimum of two (2) years of service and who desire upgrading as described above shall notify the Employer in writing with a copy to the Union, during the periods March 1st to March 21st and September 1st to September 21st each year. Such letters shall remain valid for eighteen (18) months.

The first consideration for any such vacancies shall be given to employees with a current request in order of the employee's seniority with ability to do the work to be considered.

Only requests for permanent classification change shall be valid and failure to be available thereafter for such work for a period of twenty-six (26) weeks after obtaining such status, except for reasons beyond the employee's control, shall be barred from future requests for a period of twelve (12) months.

Failure to accept an offer of such work in the store shall result in removal of the employee's request for the balance of that six (6) month period, but it shall not bar the employee from future requests.

Part time employees who are promoted to full time will receive credit for time worked on the basis of forty (40) hours being equivalent to one (1) week, for wage rates only.

The Employer and the Union agree to exchange a list of part time employees requesting full time jobs during the months of January and July of each year. The list will contain the employee's name, social security number, store number, and the date the letter was received by their respective office.

6.10 The Union shall be notified of all full time openings.

## ARTICLE 7 VACATIONS

7.1 Full time employees with one (1) or more years of continuous service, and part time employees hired prior to May 3, 1987, with one (1) or more years of continuous service, shall be granted vacations as follows:

Annual Vacations	Pro Rata Vacation On Termination
One (1) week uninterrupted after one (1) year	1/12 week for each additional month
Two (2) weeks uninterrupted after seven (7) years	2/12 week for each additional month
Three (3) weeks uninterrupted after thirteen (13) years	3/12 week for each additional month
Four (4) weeks uninterrupted after twenty (20) years	4/12 week for each additional month

7.2 (a) Employees discharged for proven or acknowledged dishonesty shall not be entitled to any vacation pay.

(b) Meat Cutters discharged for drinking on the job shall not be entitled to pro-rata vacation pay. Meat Cutters discharged for proven or acknowledged dishonesty or illegal use or possession of narcotics shall not be entitled to any vacation pay.

7.3 An employee who has earned three (3) or four (4) weeks of vacation is entitled to take at least two (2) weeks uninterrupted with the remaining period to be taken at a time convenient to both the Employer and employee. Employees who have good and sufficient reason to take their three (3) or four (4) weeks uninterrupted vacation must request same in writing sixty (60) days prior to the date the vacation is to be taken. Such requests are subject to approval by the Employer.

7.4 Employees must work thirty-nine (39) weeks during the vacation year to qualify.

7.5 Vacation time shall be computed from date of employment or anniversary of vacation eligibility date, and shall be taken at a time convenient to both the employee and the Employer, and shall be paid at the rate of pay in effect at the time the vacation is taken. An employee who is absent from work for less than thirteen (13) weeks during his anniversary year shall receive his full vacation allowance, but if absent for reasons other than illness or for illness for more than thirteen (13) weeks, in the case of Workmen's Compensation cases for more than six (6) months, he shall receive one-twelfth (1/12th) his vacation entitlement for each full month worked during the anniversary year. The vacation schedule shall be available on request by an employee.

7.6 When a holiday designated in Article 8, paragraph 8.1 occurs during the full time employee's vacation, the employee shall be entitled to an extra day's vacation, or cash in lieu thereof, based on straight time pay for an eight (8) hour work day.

7.7 Seniority of employees shall be the governing factor in selection of vacation dates, subject to the requirements of business and vacation eligibility dates. Vacations not taken prior to April 15th shall be selected and a schedule posted by April 15th of each year. No vacation date shall be altered except in the case of an emergency beyond the control of the Employer or employee, and then only by mutual agreement between the Employer and the employee.

7.8 Vacation pay is to be paid to the employee prior to the date the vacation begins.

7.9 Part time employees hired after May 3, 1987, shall be entitled to a one (1) week vacation on the anniversary date of their employment pro-rated on the basis of the average straight time hours worked during the preceding year.

7.10 When a holiday designated in Article 8, paragraph 8.1 occurs during a part time employee's vacation, he shall be paid as provided in Article 8, paragraph 8.4.

7.11 Part time employees who change to full time will receive credit for the vacation earned on the basis of forty (40) hours being equal to one (1) week of work. In the computation of future vacations, credit shall be given for hours worked as a part time employee and the vacation anniversary date adjusted accordingly.

7.12 Full time employees changing to part time will continue their original vacation anniversary date and will receive part time vacation on the basis of average hours worked during the vacation year. The original employment date will be the basis for determining eligibility for vacation.

7.13 Holiday weeks will not be blocked out as not available as vacation weeks for Food Clerks.

## ARTICLE 8 HOLIDAYS

8.1 (a) No employee except in the case of an emergency shall be required to work on the following holidays:

New Year's Day	Labor Day
Memorial Day	Thanksgiving Day
Independence Day	Christmas Day

(b) All holidays falling on Sunday shall be observed on Monday.

8.2 During weeks in which holidays are observed, the basic workweek for full time employees shall consist of thirty-two (32) hours plus holiday pay. All time worked by an employee over thirty-two (32) hours during said holiday week shall be compensated at the rate of time and one-half, in addition to his holiday pay.

8.3 Full time employees shall be paid for the holidays as set forth in Paragraph 1 of this Article, provided they work their last scheduled day before and their first scheduled day after such holidays, except in the case of illness of the employee or the employee's immediate family, attested to by a physician, Sundays excepted, or absence approved by the Manager. Holiday pay for full time employees shall be eight (8) hours. Holiday pay for part time employees shall be five (5) hours.

8.4 (a) Part time employees upon completion of sixty (60) days, but less than one (1) year of continuous service, shall be paid five (5) hours' holiday pay at the straight time hourly rate for the holidays set forth in Paragraph 1, of this Article, provided the holiday falls on a day he or she would normally be scheduled to work.

(b) Part time employees with one (1) or more years of continuous service, regardless of whether they are normally scheduled for work on the day a holiday set forth in Paragraph 1 of this Article falls, shall receive holiday pay for five (5) hours at the straight time hourly rate.

(c) In both instances above, the employee is required to work at least one (1) day during the holiday week and his scheduled work day before and his scheduled work day after the holiday. Work schedules shall not be changed for the purpose of avoiding holiday pay. Where an employee is scheduled to work only one (1) day in a week and the holiday falls on that day, the one-day requirement shall be waived.

(d) Part time employees hired after May 3, 1987, shall be entitled to the holidays as outlined in Article 8.1 after the completion of one (1) year of service. Such holidays shall be paid on the basis of five (5) hours, at the employee's straight time hourly rate.

8.5 All employees shall receive a premium of one dollar (\$1.00) per hour for all hours worked on Sundays, and shall be paid for all work performed on holidays at the rate of time and one-half (1-1/2) plus holiday pay.

8.6 There shall be no pyramiding of overtime and/or premium pay.

## ARTICLE 9 LEAVES OF ABSENCE

9.1 **DISABILITY LEAVE:** A regular employee shall be granted disability leave for the period of illness, accident or injury up to twelve (12) months. Such illness, accident or injury and the seriousness thereof shall be attested to by a physician. However, in the event such employee is unable to return to work at the expiration of his leave period, he may request an additional six (6) month leave if he submits satisfactory medical evidence that he will be able to return to his regular duties within the additional said period. The employee shall advise the Employer as to his or her medical progress at such reasonable intervals as the Employer and the nature of the disability would dictate. If the period of absence is in excess of thirty (30) days, the employee shall give at least seven (7) days notice of his or her intention to return to work unless said notice is waived by the Employer. The Employer may require a full or partial (dependent upon the availability of work and job requirements) medical release from the employee's doctor prior to the employee's return to work.

9.2 **FUNERAL LEAVE:** In the case of a death in the immediate family (namely the death of a parent, grandparent, spouse, child, step-child, brother, sister, or parent-in-law) of any employee requiring the employee's absence from his regularly scheduled assignments, the employee shall be granted leave of absence with pay up to three (3) days. When an employee's normal time off falls within the three (3) day period, he shall be reimbursed for the portion of time normally scheduled for work.

9.3 **UNION ACTIVITY LEAVE:** The Employer agrees that any member of the Union employed by the Employer during the period of this Agreement who is elected to permanent office in the Union or is assigned by the Union to any Union activity necessitating leave of absence shall be granted such leave of absence and shall, at the end of the term in the first instance or at the end of his mission in the second instance, be given reemployment at his former wage rate, plus any increase or less any reduction that may have become effective dur-



ing his absence. The maximum period of absence permitted will be one (1) year.

9.4 JURY DUTY LEAVE: Employees actually summoned and serving on juries will be granted time off when needed for actual jury duty and will receive the difference between their straight time basic weekly pay and the amount received while on jury duty, except such jury duty pay which they receive while serving on their regularly scheduled day off. During the time they are serving on said juries, their schedules shall be arranged to provide a shift ending nine (9) hours after the time the employees are required to report for such service. An employee who is dismissed from such service sufficiently early to enable him to work two (2) hours or more of his scheduled shift shall report to his store to complete his shift. This obligation on the part of the Employer shall be limited to thirty (30) days in each calendar year.

9.5 VOTING TIME LEAVE: During General Election, employees shall be granted time off to vote, with pay, but not more than two (2) hours, provided the employee is registered to vote and the time off is necessary.

#### 9.6 MILITARY SERVICE LEAVE:

(a) For Food Clerks only, the Employer will comply with the applicable laws of the United States concerning the reemployment of persons leaving the military service of the United States. Employees while on military service shall accrue all seniority rights including progression increases and all other increases as well as all other benefits during the term of his absence.

(b) For Food Clerk employees only, full time or part time, who serve in the National Guard or Military Reserve Units which require annual training shall be granted the necessary leave without pay to fulfill the annual training requirements of the unit in which they serve. Such employee shall give the Employer two (2) weeks prior notice.

(c) For Meat Department Employees only, the Employer will comply with the applicable laws of the United States concerning the reemployment of persons leaving the military service of the United States. Because the schedule of progressive wage rates provided for by Schedule "A" hereof depends upon actual experience on the job, a person re-employed pursuant to this Article shall, for the purposes of Schedule "A", be credited only with months of actual payroll service. A person so re-employed shall be paid at the current rate for the appropriate job classification based upon his actual job experience. At the time an employee leaves for military service, he shall receive whatever vacation pay is due him.

9.7 OTHER LEAVES: Approved leave of absence for reasons other than those above shall not interrupt an employee's service record.

### ARTICLE 10 HEALTH PLAN

10.1 The Employer will contribute to the Central Virginia U.F.C.W. & Subscribing Employers Welfare Fund for all eligible employees on the payroll as of the date of ratification the sum of seventy-six and one-half cents (\$.765) per hour.

The Employer agrees to make contributions in amounts as may from time to time be determined by the Board of Trustees of the above Fund so as to maintain current and existing benefits and provide an adequate financial reserve. Any change in contribution shall be preceded by a thirty (30) day written notice from the Board of Trustees to the Employer.

10.2 For employees who have not completed three (3) months service and for those employees hired after May 3, 1987, the Employer agrees to contribute \$170.00 per month for each full time employee and \$34.00 per month for each part time employee actively on the Employer's payroll. Contributions for part time employees shall commence the first of the month following the completion of twelve (12) months continuous service. These contributions shall be made to the Central Virginia UFCW & Employers Health and Welfare Fund.

10.3 Hours paid shall include paid hours of vacation, holidays, and other hours of leave paid for by the Employer. Such contributions shall be made to Central Virginia U.F.C.W. and Subscribing Employers Health and Welfare Fund or any successor created by merger or consolidation, and shall be made on or before the twentieth (20th) day of each month for the preceding calendar month. Upon payment of the contributions, the Employer will report to the Union and the Trust Fund, all hours paid all employees for which contributions were required during the preceding month. In accordance with the foregoing method of determining contributions payable, such report will be made in a manner prescribed by the Trustees.

10.4 The contributions provided for in this Section shall be for the purpose of providing such benefits for eligible employees and other eligible persons as determined from time to time by the Trustees of the aforesaid Trust Fund pursuant to the terms of a Trust Agreement and Declaration of Trust known as the Central Virginia U.F.C.W. and Subscribing Employers' Health and Welfare Fund. This shall constitute the Employer's acceptance of the Agreement and Declaration of Trust and any amendments thereof.

### ARTICLE 11 PENSION PLAN

11.1 (a) Effective January 4, 1976, the Employer agrees to contribute to a jointly administered Trust Fund known as the United Food and Commercial Workers Unions and Employers Pension Fund, the sum of sixteen cents (\$.16) per hour for all hours paid up to forty (40) hours per week for all food clerk employees in the bargaining unit herein described and for probationary employees. Hours paid shall include paid hours of vacation, holidays and other hours of leave paid for by the Employer. Such contributions shall be made on or before the twentieth (20th) day of each month for the preceding calendar month. Upon payment of the monthly contributions, the Employer shall report to the Union and the Trust Fund all hours paid all employees for which contributions were required during the preceding month.

(b) In accordance with the foregoing method of determining contributions payable, such report will be made in a manner prescribed by the Trustees. The contributions provided for in this Section shall be for the purpose of providing such pension benefits for eligible employees and other eligible persons as are determined from time to time by the Trustees of the aforesaid Trust Fund pursuant to the terms of a Trust Agreement and Declaration of Trust. This shall constitute the Employer's acceptance of the Agreement and Declaration of Trust and any amendments thereof. In the event of the loss of Treasury Department approval and the contributions to the Trust Fund are not deductible expenses under the Internal Revenue Code of 1954, as amended, or if for any reasons the Fund cannot receive contributions, then all of the contributions which the Employer is required to make to the Fund shall be paid into a separate, interest bearing bank account until such time as the Trust Fund can receive such contributions and interest.

(c) The Employer agrees that any Retail Employer who executes

or has executed a collective bargaining agreement with this Union or with any other Local Union chartered by the United Food and Commercial Workers International Union which provides for contributions to a Pension Fund, shall be entitled to become a signatory to the Trust Agreement mentioned above by agreeing to the terms of the Trust Agreement, and is accepted for participation in the Fund by the Trustees in accordance with the provisions of the Trust Agreement.

(d) Effective January 1, 1984, the Employer rate of contribution shall be increased to a total hourly contribution rate of forty cents (\$.40).

11.2 (a) Effective January 1, 1974, the Employer agrees to contribute to a jointly administered Trust Fund known as United Food and Commercial Workers International Union and Industry Pension Fund (or its successors) the sum of twenty-five cents (\$.25) per hour for all hours paid to full time meat department employees up to forty (40) hours per week.

(b) Such contributions shall commence the first of the month following ninety (90) days continuous full time employment.

(c) On the date that the Employer is obligated to make contributions into the Pension Fund, the employees covered by this Agreement upon such date shall automatically cease to participate in the Employer's Pension Plan (if any) then in effect. The Union as the bargaining agent for the employees covered under this Agreement agrees on behalf of each of the said employees who are participants in the Employer's Pension Plan that each of the said employees in consideration of the Agreement by the Employer to contribute to the United Food and Commercial Workers International Union Industry Pension Fund enabling said employees to participate therein shall then withdraw from and surrender, release and relinquish whatever rights, privileges and benefits he has, if any, in the Employer's Pension Plan effective with the date the Employer is obligated to make payments into the United Food and Commercial Workers International Union Industry Pension Fund.

(d) Effective January 3, 1982, the Employer rate of contribution shall be increased two and one-half (2-1/2) cents (\$.025) per hour for a total hourly contribution rate for a full time employees of sixty-six and one-half cents (\$.665) and a contribution for a part time employee of twenty-two and one-half cents (\$.225) under the same terms and conditions cited above.

(e) Effective January 2, 1983, the Employer rate of contribution shall be increased two and one-half cents (\$.025) per hour for a total hourly contribution rate for a full time employee of sixty-nine cents (\$.69) and a contribution for a part time employee of twenty-five cents (\$.25) under the same terms and conditions cited above.

(f) Effective January 1, 1984, the Employer rate of contribution shall be increased to a total hourly contribution rate for a full time employee of seventy-one and one-half cents (\$.715) and a contribution for a part time employee of twenty-seven and one-half cents (\$.275) under the same terms and conditions cited above.

11.3 (a) Part time Pension: Effective January 6, 1980, the Employer will contribute to the United Food and Commercial Workers International Union and Industry Pension Fund twenty cents (\$.20) per hour for all straight time hours worked by part time employees. The purpose of said contribution is to provide a Pension Plan for part time employees. The Employer's requirement to make said contribution shall be dependent upon said Plan becoming and maintaining itself as an IRS qualified Pension Plan.

(b) Part time employees, who may be or have been covered by the Employer's Pension Plan, shall be subject to the same requirements and/or waiver's contained in Section 3 of this Article except as may be modified by applicable statute.

11.4 On the first of the month following thirty (30) days of employment for Grocery and Meat Department Employees hired after May 3, 1987, the Employer agrees to contribute to a jointly administered Trust Fund the sum of fifteen cents (\$.15) per hour for all hours paid up to forty (40) hours a week. Hours paid shall include paid hours of vacation, holidays and other hours of leave paid for by the Employer. Courtesy Clerks who have completed twelve (12) months of service or who have been promoted, shall have contributions made on their behalf.

### ARTICLE 12 INSPECTION OF PAYROLL RECORDS

In order to facilitate the proper functioning of the Health and Welfare and Pension Plans herein, and to ensure that contributions are being made for all covered employees in accordance with the provisions of the bargaining agreement, the Employer hereby agrees to the examination of those records deemed necessary by a certified public account, or by any other party to be mutually agreed to by the parties hereto. (This Article applies to Food Clerks only).

### ARTICLE 13 DISCHARGE

Paragraphs A and D shall apply to Food Clerks only; Paragraph B shall apply to Meat Department employees only; Paragraph C shall apply to all employees.

A. The Employer shall have the right to discharge any employee for just cause, such as proven or acknowledged dishonesty, intoxication during working hours, drinking or gambling on the Employer's premises, acts of violence, or direct refusal to obey orders by the Employer which are not a violation of this Agreement, provided however, that no employee shall be discharged or discriminated against because of membership in the Union or for Union activities.

B. The Employer shall have the right to discharge any Meat Department Employee for good cause, such as dishonesty, intoxication during working hours, drinking or gambling on the Employer's premises, acts of violence, illegal use or possession of narcotics, or direct refusal to obey orders by the Employer which are not a violation of this Agreement, provided however, that no employee shall be discharged or discriminated against because of membership in the Union or for Union activities.

C. In the event that an employee's work is unsatisfactory, he shall be given at least one (1) written notice before disciplinary action is taken, and a copy of the notice shall be sent to the Union at the same time.

D. Warning notices shall have no force or effect after nine (9) months from the date thereof for Food Clerks.

### ARTICLE 14 GRIEVANCE AND ARBITRATION

14.1 Any complaint, disagreement or difference of opinion between the Employer, the Union or the employees covered by this Agreement, which concerns the interpretation or application of the terms and provisions of this Agreement shall be considered a grievance.



14.2 Any employee, the Union or the Employer may present a grievance. Any grievance which is not presented within thirty (30) calendar days following the event giving rise to such grievance shall be forfeited and waived by the aggrieved parties, except in the case of discharge or suspension when the time limit shall be ten (10) calendar days.

14.3 All grievances shall be submitted in writing and will set forth the issue(s) and contentions of the aggrieved party(s).

14.4 The Union representatives and the Employer Labor representative shall discuss and attempt to adjust such grievances.

14.5 If the Union and the Employer Labor representative cannot reach an adjustment within five (5) days, upon request of either party, the grievance shall be submitted to arbitration.

14.6 The parties shall select an Arbitrator or jointly request a list from the Federal Mediation and Conciliation Service and selection shall be made by alternate strike method.

14.7 The Arbitrator shall receive and consider such material evidence and contentions as the parties may offer, and shall make such independent investigation as he deems essential to a full understanding and determination of the issues involved.

14.8 The Arbitrator shall not be vested with the power to change, modify or alter any of the terms of this Agreement. All grievances submitted shall present an arbitrable issue under this Agreement, and shall not depend on or involve any issue or contention by either party which is contrary to any provision of this Agreement or which involves the determination of a subject matter not covered by or arising during the term of this Agreement.

14.9 The findings and decisions of the Arbitrator on all arbitrable questions shall be binding and enforceable on all parties.

14.10 It is the intention of the parties that this Article shall provide a peaceful method of adjusting grievances so that there shall be no suspension or interruption of normal operations as a result of any grievance. The parties shall act in good faith in proceeding to adjust grievances in accordance with the provisions of this Article.

14.11 The expense of arbitrators shall be borne equally by the parties to the arbitration.

14.12 The Executive Board of the Local Union shall have the final authority, in respect to any aggrieved Meat Department employee covered by this Agreement, to decline to process a grievance, complaint, difficulty or dispute; if in the judgment of the Executive Board such grievance or dispute lacks merit or lacks justification under this Agreement to the satisfaction of the Union Executive Board.

#### **ARTICLE 15 NO STRIKES OR LOCKOUTS**

15.1 It is mutually agreed that there shall be no strike or lockout during the existence of this Agreement. The Union agrees that during the term of this Agreement, it will use every effort to prevent cessation of work by any of its members employed by the Employer.

15.2 Nothing herein contained shall compel any employee to walk through a legal picket line provided the picket line has the approval of the Local Union and the United Food and Commercial Workers International Union.

#### **ARTICLE 16 STORE STEWARD**

16.1 The Union shall have the right to appoint two (2) Store Stewards in each store (one in the Meat Department and one in the Grocery Department) whose duties shall be to report any irregularities to the Union office. In no instance shall the Store Steward be discriminated against for discharging such duties, provided such duties do not interfere with the regular performance of his work for the Employer.

16.2 It is understood that the Store Steward shall be the last to be laid off in the store where he is employed, providing he is capable of performing the available work. The Union shall furnish to the Employer a complete list of Store Stewards which shall be amended from time to time as may be necessary.

16.3 A Food Clerk Store Steward may be transferred only in case of promotion or with the consent of the Steward or the Union to the transfer. In the event the Food Clerk Store Steward is a part time employee, then he or she can exercise super seniority in layoff only over other employees in the part time classification under the same conditions above for full time employees.

16.4 The Employer agrees to give all Store Stewards one day off per year without pay for the purpose of attending shop steward training seminars sponsored by the Local Union. The Union agrees to notify the Employer at least two (2) weeks in advance of scheduling the seminars. Further, this Seminar will be held on a Tuesday or Wednesday and will not be scheduled during peak selling periods and/or holiday weeks.

#### **ARTICLE 17 CHECK OFF UNION INITIATION AND UNION DUES**

17.1 The Employer shall weekly check off initiation fees and dues from all members who authorize in writing such deductions and shall remit the same to the Secretary-Treasurer of the Union on a weekly basis. The Union agrees to hold the Employer harmless from legal claims for liabilities that may arise in furtherance of honoring the check-off procedure.

17.2 The Employer agrees to deduct weekly members' contribution to the Active Ballot Club upon receipt of a signed authorization from the employee. Such deductions will be remitted monthly to the Union.

#### **ARTICLE 18 NON-DISCRIMINATION**

18.1 No employee or applicant shall be discriminated against because of race, creed, color, national origin, sex or age. The use of personal pronouns of the male gender is for grammatical purpose only and all Articles and Sections apply equally to persons of either gender.

#### **ARTICLE 19 INVALIDATION**

19.1 If a final decision of any state or Federal Board or Court of competent jurisdiction should hold in any case that the terms, conditions or provisions in this Agreement or the terms, conditions or provisions in any other Agreement of a like or similar import to those embodied in this Agreement, violate applicable state or Federal laws or regulations, then all the terms, conditions or provisions of this Agreement of like or similar import shall be given a like construction to those affected by such determination and shall become inoperative

and of no effect from the date of such determination. In such event, either party may open this Agreement for negotiations only as to substitute provisions for those provisions made inoperative hereby, upon thirty (30) days written notice to the other party. The remainder of this Agreement which is not affected by such determination shall, however, continue in full force and effect.

#### **ARTICLE 20 SUCCESSORS AND ASSIGNS**

20.1 This Agreement shall be binding on all signatories hereto, and their successors and assigns, whether such status is created by sale, lease, assignment or any other type of transfer or transaction. In consideration of the Union's execution of this Agreement, the Employer promises that its operations covered by this Agreement or any part thereof shall not be sold, conveyed, or otherwise transferred or assigned to any successor without first securing the Agreement of the successor to assume the Employer's obligations under this Agreement and to offer employment subject to the terms of this Agreement, to all of the Employer's then current employees, recognizing their accrued seniority for all purposes. Provided, that the Employer shall not be a guarantor or be held liable for any breach by the successor or assignee of its obligations, and the Union will look exclusively to the successor or assignee for compliance with the terms of this Agreement. The foregoing shall be applicable in cases only where the Employer sells or transfers more than ten percent (10%) of the facilities set forth in paragraph 20.3, per contract year, and shall not apply in cases of store closing (30 days or more).

20.2 Notwithstanding the provisions of Article 20.1, if the Employer closes more of the facilities set forth in Article 20.3 than allowed by Article 20.1, the following provisions shall apply to Grocery Department employees hired prior to 5/17/81 and Meat Department employees hired prior to 5/19/84.

(a) The Company shall maintain the right to close up to 10% of the stores set forth in Article 20.3, per contract year, without any penalties or responsibilities as set forth in Article 20.1.

(b) If the Company closes more than 10% of such stores per contract year, those employees who are involuntarily laid off with no hours of work as a direct result of the closing shall be entitled to receive 100% of the wage concessions granted under the terms of this agreement. The maximum pay off that the Company shall incur under this provision is one (1) year.

(c) In addition to the payment set forth in paragraph (b), the Company also agrees to provide the following for eligible employees terminated or involuntarily laid off with no hours of work as a direct result of the closing of any facilities as set forth in Articles 20.3 and 20.4:

1. For each year of full time service with the Employer, eligible employees shall be entitled to an amount equal to One Hundred and Thirty-Three Dollars (\$133.00) per year for years one through twelve and One Hundred Dollars (\$100.00) per year for years in excess thereof, provided that the maximum amount due each employee shall be limited to Two Thousand Dollars (\$2,000.00), and further provided that to the extent each yearly payment exceeds One Hundred Dollars (\$100.00), such excess shall be deducted by the Employer for the purpose of providing up to an additional three months worth of Health and Welfare Benefits under the Central Virginia UFCW and Subscribing Employers Health and Welfare Fund.
2. For each year of part time service with the Employer, eligible employees shall be entitled to Fifty Dollars (\$50.00). Such payments shall be limited to a maximum of Eight Hundred Dollars (\$800.00) per part time employee.
3. The foregoing shall not apply in cases of store closing due to the sale of a facility and where the successor Employer has offered the employee continued employment at a substantially similar job as the employee had with Safeway.
4. For the purposes of Article 20.2 C, "eligible employees" shall mean any employee with at least one (1) year of service with the Employer as of their date of termination or involuntary layoff.

20.3 The provisions set forth above in paragraphs 20.1 and 20.2 shall only apply to transactions affecting the following stores:

#205—Richmond	#245—Midlothian
#207—Richmond	#249—Richmond
#213—Richmond	#250—Richmond
#214—Richmond	#361—Richmond
#222—Richmond	#362—Richmond
#225—Richmond	#391—Ashland
#226—Richmond	#394—West Point
#228—Williamsburg	#395—Richmond
#230—Williamsburg	#399—Mechanicsville
#237—Richmond	#400—Richmond

20.4 It is understood and agreed the provisions contained in Articles 20.1, 20.2 (a) and 20.2 (b) shall not apply in the event the following stores are closed or sold by the Company, however, eligible employees shall be entitled to payments pursuant to Article 20.2(c):

#210—Virginia Beach	#369—Virginia Beach
#227—Hopewell	#372—Virginia Beach
#248—Chesapeake	#373—Hampton
#252—Virginia Beach	#375—Chesapeake
#254—Norfolk	#377—Petersburg
#255—Richmond	#379—Richmond
#256—Mechanicsville	#380—Newport News
#257—Richmond	#381—Gloucester
#307—Richmond	#382—Kilmarnock
#322—Farmville	#385—Tappahannock
#353—Richmond	#387—Petersburg
#358—Chester	#896—Colonial Heights
#365—Hampton	#898—Virginia Beach
#367—Suffolk	#1061—Virginia Beach

20.5 It is understood and agreed that the provisions set forth in Articles 20.1, 20.2 (a) and 20.2 (b), shall be in full force and effect for one (1) year following the date of ratification, (May 3, 1987), at the end of which period the provisions shall expire and the contract shall be automatically reopened for the purpose of renegotiating such language. Should the parties negotiate to impasse, the Union expressly retains the right to strike the Employer at any or all of the facilities covered under the terms of this Agreement.

20.6 Due to the Company's need for flexibility in making final arrangements for the merger of the Washington, D.C. and Richmond, Virginia Divisions, it is understood and agreed that the Company shall retain the right, at its option, to substitute stores, in a one for one basis, from the lists contained in Articles 20.3 and 20.4. It is understood, however, that the list of stores in Article 20.3 shall initially contain no less than twenty (20) stores.



ARTICLE 21  
DURATION OF AGREEMENT

This Agreement shall continue in effect from May 24, 1987 through June 1, 1990, and from year to year thereafter unless either party serves notice, in writing, sixty (60) days prior to the expiration date of the Agreement in any year of a desire either for termination or for changes in the Agreement. In the event either party serves such notice in respect to changes in the Agreement, it is mutually agreed that the Employer and the Union shall immediately begin negotiations on the proposed changes, and that pending the result of the negotiation, neither party shall change the conditions existing under the Agreement.

IN WITNESS WHEREOF, the undersigned have affixed their signatures as legal representatives of both the Employer and the Union.

FOR THE EMPLOYER:

FOR THE UNION:

SCHEDULE "A" WAGES

CLASSIFICATION:	HOURLY RATES Eff. 5/24/87
Assistant Manager	\$11.90
Produce Manager	\$11.72
Grocery Manager	\$11.72
Head Clerk	\$ 9.50
Full Time Clerks:	
1st 6 months	\$ 4.50
2nd 6 months	\$ 5.00
3rd 6 months	\$ 5.75
4th 6 months	\$ 6.50
Thereafter	\$ 8.00
Part Time Clerks:	
1st 9 months	\$ 4.00
2nd 9 months	\$ 4.50
3rd 9 months	\$ 5.25
4th 9 months	\$ 6.00
Thereafter	\$ 7.00
Full & Part Time Porters:	
0-6 months	
6-12 months	
12-18 months	
After 18 months	\$ 6.50
Courtesy Clerks:	
Start	\$ 3.35
After 30 days	\$ 3.65
Service Clerks:	\$ 3.55
Meat Department Manager:	\$12.55
F.T. Journeyman Meat Cutter:	\$ 9.50
P.T. Journeyman Meat Cutter:	\$ 8.50
F.T. Apprentice Meat Cutter:	
1st 6 months	\$ 5.00
2nd 6 months	\$ 5.50
3rd 6 months	\$ 6.00
4th 6 months	\$ 6.50
P.T. Apprentice Meat Cutter:	
0-9 months	\$ 4.00
9-18 months	\$ 4.50
18-36 months	\$ 5.00
After 36 months	\$ 5.50
F.T. Weigher & Wrapper:	
1st 6 months	\$ 4.50
2nd 6 months	\$ 5.00
3rd 6 months	\$ 5.75
4th 6 months	\$ 6.50
Thereafter	\$ 8.00
P.T. Weigher & Wrapper:	
1st 9 months	\$ 4.00
2nd 9 months	\$ 4.50
3rd 9 months	\$ 5.25
4th 9 months	\$ 6.00
Thereafter	\$ 7.00
F.T. & P.T. Food Service Clerks:	
1st 9 months	\$ 4.00
2nd 9 months	\$ 4.70
Thereafter	\$ 4.85
Food Service Center Manager:	
Start	\$ 6.98
After 6 months	\$ 8.48
After 12 months	\$ 8.98
After 24 months	\$ 9.48
After 36 months	\$10.71

SCHEDULE "B"  
EMPLOYEES INCENTIVE FUND  
RICHMOND AND TIDEWATER AREAS

Section 1:

Effective with the date of this Agreement, there shall be created an Employee Incentive Fund ("Fund") which the Employer agrees to participate in and contribute to. Disposition of Fund assets shall be solely and exclusively controlled by members of the Union who are employees of the Employer. Selection of Fund Trustees shall be made pursuant to a procedure developed by the employees. The employees or their authorized agent shall have authority to direct the investment of the assets of the Plan to the maximum extent permissible under law.

Section 2:

Employer obligations for each store shall commence on the first sales day of the next four week sales period following ratification of the Agreement.

Section 3:

All Employer contributions for each store for the preceding year shall be made to the Fund (which shall be comprised of the combined contributions for all stores) within sixty (60) days after each annual anniversary date established in Section 2 above.

Section 4:

The amount of Employer contributions for each store shall be one percent (1%) of the store's total sales for the contract year, (contract year to mean the twelve (12) month period following ratification of this Agreement), subject to adjustment as follows:

If the store's labor rate for the corresponding period is below nine percent (9%), the contribution rate shall be adjusted upward by one-twentieth of a percentage point (.05%) for each full one-tenth of a percentage point (0.1%) reduction below nine percent (9%). If the store's labor rate for the corresponding period is above ten percent (10%), the contribution rate shall be adjusted downward by one-twentieth of a percentage point (0.05%) for each full one-tenth of a percentage point (0.1%) increased above ten percent (10%). For example, if the labor rate is 8.3, the contribution rate is 1.35%; if the labor rate is 11.1, the contribution rate is 0.45%. Under no circumstances shall the Fund be required to reimburse the Employer based on the store's labor rate.

Section 5:

The Plan and any accompanying Trust shall be exempt from income taxation, and the Employer's contributions shall be deductible for income tax purposes. In the event that for any reason the Fund cannot receive the continuing approval of the IRS with respect to the deductibility as an item of business expense of the Employer contribution thereunder, the amount of the Employer contribution for the period for which such contribution is required under this Agreement shall be paid directly to the employees in cash, as an employee benefit, by a formula to be mutually determined by the Employer and the Union.

A. ELIGIBILITY:

1. All employees who have completed twenty-four months of employment and who were working in the store on the first day of the "contract year" and were still working in the store on the anniversary date.
2. Those employees who were promoted out of store are eligible for hours worked in both stores, i.e. if employees worked 700 hours in store #A and 800 hours in store #B, he has credit for a 700 hour portion from #A and an 800 hour portion from #B.
3. Any former Safeway employee who retires during the course of a plan year.
4. Any employee who dies during the course of a plan year.

B. DETERMINATION OF HOURS:

1. Only hours eligible are those hours worked during the "contract year"; any hours worked prior thereto must be deducted from the total.

C. DEFINITION OF LABOR:

1. all productive hours
2. bonus payments made pursuant to the Incentive Fund
3. vacation (regular and vested expense)
4. holiday
5. all payroll taxes
6. union health and welfare benefit and retirement expense
7. Company retirement and benefit expense for non-bargaining unit employees, i.e. store manager

Agreed to this \_\_\_\_\_ day of \_\_\_\_\_, 1987.

FOR THE EMPLOYER:

FOR THE UNION:

RETIREMENT INCENTIVE BONUS PLAN

An Opt-Out Retirement Program shall be offered to current Safeway employees on the following basis:

For any employee hired prior to ratification, (May 3, 1987), with five (5) years of service:

\$200.00 per year of service as full time.

\$150.00 per year of service as part time.

Election must be made within thirty (30) days of ratification of this Agreement.